

CENTRAL INTELLIGENCE AGENCY

# INFORMATION REPORT

## REPORT

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COUNTRY East Germany

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SUBJECT            The 1955 Food Situation; Prospects for  
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This is UNEVALUATED Information

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1. The food situation in East Germany is considered to be tight in spite of the favorable 1955 grain harvest.<sup>1</sup> Vegetable and animal production will probably not be adequate to guarantee a sufficient food supply. Thus state food reserves will have to be used and food will have to be imported in order to alleviate the situation.
2. The rye harvest for 1955 is estimated at 1,127,200 metric tons. An additional 70,000 tons will be obtained through imports in exchange for nitrogen (sic). But this total of 1,197,200 tons will only suffice to cover the needs of the people as to bread, rye flour, etc., up to 15 May 1956. Between then and the time when the 1956 rye crop will be harvested another 390,000 tons must be imported to meet food requirements.
3. The 1955 wheat harvest is estimated at 440,000 tons. An additional 40,000 tons are expected to be procured through imports in exchange for nitrogen (sic). This total of 480,000 tons, however, will only meet food requirements until 20 February 1956. Here likewise the gap until the 1956 harvest has to be bridged by imports of 480,000 tons.<sup>2</sup>
4. The barley crop is not adequate to meet the brewing industry requirements. It is planned to import 50,000 tons of brewing malt from Czechoslovakia in exchange for 65,000 tons of feed grain.
5. The sugar supply situation is very unfavorable. The 1955 beet sugar crop is estimated at 1,000,000 tons less than in 1954.<sup>3</sup> Sugar exports during 1954 with its large harvest were considered too high in comparison to domestic needs and will probably not reach the same amount during 1955.<sup>4</sup> Because of lack of sugar reserves the Ministry of Trade and Supply had to borrow 10,000 tons from Czechoslovakia to cover priority needs. Sugar exports, amounting to 263,000 tons,

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which were planned for the last quarter of 1955 and for the first quarter of 1956 cannot be realized. The already difficult situation would have become more critical this year but for the poor fruit crop which reduced the usual sugar requirements for canning purposes.

6. The egg supply situation is unfavorable. By 30 June 1955, 40,000,000 less eggs were procured than had been planned. A further deterioration in the situation is caused by import reductions which will amount to 400,000,000 eggs for the current year. The prospects of supplying eggs to the populace during the last quarter of 1955 and the first quarter of 1956 are slim.
7. Sufficient meat for domestic consumption could only be obtained through release of available state meat reserves of 8,000 tons. Cattle deliveries, live-weight basis, available for September 1955, are estimated at 66,000 tons which is 8,200 tons less than needed. This shortage will have to be made up through imports. Domestic cattle deliveries and imports for the months following September 1955 are as follows:

	Cattle Procurement (live weight)(metric tons)	Meat Imports (metric tons)
October	71,000	11,000
November	98,000	7,000
December	104,000	5,100

The economic plan made provisions for a state meat reserve of 40,000 tons to be reached by 31 December 1955; it is, however, not expected that the amount of stored meat will surpass 25,000 tons.

8. The vegetable oil situation is considered more favorable because 50,000 tons of oil crops are to be imported from the Soviet Bloc countries.<sup>5</sup> It is therefore expected that the state reserves will amount to 12,000 tons by 31 December 1955.
9. The fruit situation is very unfavorable because of the poor harvest and because of the inadequate imports from Soviet Bloc countries; 10,000 tons of fruit pulp had to be imported for jam processing.
10. It is estimated that only 3,700,000 tons of potatoes will be procured in 1955<sup>6</sup> while, however, requirements will amount to 4,100,000 tons.<sup>7</sup> The deficient amount of 400,000 tons can only be made up through reduction of quotas allocated to the food processing industry, to large-scale users, to the State Food Fund and to special consumers. Furthermore, starch production will have to be reduced at the expense of consumer needs while export contracts will have to be realized in full. The following table gives the utilization pattern for state-controlled potato supplies for the period 1 July 1954 through 30 June 1955 and the estimated requirements for the 1955 and 1956 crop years.

	Consumption 1 July 1954-30 June 1955 (metric tons)	Estimated Requirements July 1955-30 June 1956 (metric tons)
Consumer supply	2,236,000	2,300,000
Large-scale users (factory mess, etc.)	384,000	465,000
Seeding purposes	505,000	390,000
State Food Fund (Staatliche Futtermittelfonds)	75,000	126,000
Food processing industry	453,000	433,000
Exports	42,000	83,000
Special consumers	150,000	192,000
Losses (spoilage, etc.)	139,000	100,000
	<u>3,974,000</u>	<u>4,089,000</u>

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1. Comment: The 1955 grain harvest shows prospects of exceeding the below-average 1954 harvest by 20 percent. 25X1
2. Comment: East German postwar grain production has generally been inadequate to meet domestic consumption requirements. East German bread grain imports, primarily from the USSR, have ranged between one half and one million metric tons. 25X1
3. Comment: 1954 sugar beet production has been estimated at about 6,000,000 metric tons. 25X1
4. Comment: 1955 planned sugar exports (refined basis calculated at 90 percent of raw quantity) were 320,000 metric tons. 25X1
5. Comment: Average annual imports of oleaginous materials from Soviet Bloc countries has been estimated at upwards of 150,000 metric tons, consisting primarily of soya beans and peanuts from Communist China. 25X1
6. Comment: The 1955 potato harvest is estimated to fall below the 1954 harvest by at least 20 percent. 25X1
7. Comment: East German potato production, however, has averaged upwards of 10,000,000 metric tons. The major portion of the potato crop is retained on the farm and is not delivered to state purchasing or procurement agencies. 25X1

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